

Message Text

UNCLASSIFIED

PAGE 01 OTTAWA 04833 072230Z

20

ACTION EUR-12

INFO OCT-01 ISO-00 TRSE-00 FRB-01 OMB-01 CIAE-00 CIEP-02

EB-07 SS-15 INR-07 NSAE-00 PA-02 PRS-01 /049 W

----- 033673

R 072211Z DEC 76

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 1848

INFO ALL AMCONSULS CANADA

UNCLAS OTTAWA 4833

E.O. 11652: N/A

TAGS: EFIN, PGOV, CA

SUBJECT: FEDERAL/PROVINCIAL FINANCE MINISTERS' CONFERENCE

REF: OTTAWA 4814

1. SUMMARY: MEDIA REPORTS OF FIRST DAY (DECEMBER 6) OF FEDERAL/PROVINCIAL FINANCE MINISTERS' CONFERENCE IN OTTAWA CONCENTRATED ON QUEBEC FINANCE MINISTER JACQUES PARIZEAU'S APPARENT DEMANDS FOR MORE FEDERAL FUNDS FOR HIS PROVINCE. AT PRESS CONFERENCE FOLLOWING FIRST DAY SESSION, FINMIN MACDONALD SAID HE WOULD REJECT QUEBEC'S REQUEST FOR FEDERAL FUNDS TO SUBSIDIZE PROVINCIAL POLICE FORCE AND GUARANTEE OLYMPIC LOTTERY REVENUES. END SUMMARY

2. TV AND NEWSPAPER ACCOUNTS OF FIRST DAY PROCEEDINGS OF FEDERAL/PROVINCIAL FINANCE MINISTERS' CONFERENCE IN OTTAWA CONCENTRATED ON APPARENT DEMANDS BY QUEBEC FINANCE MINISTER JACQUES PARIZEAU FOR MORE FEDERAL FUNDS. PARIZEAU REPORTEDLY TOLD CONFERENCE THAT PRESENT TAX SYSTEM DISCRIMINATES AGAINST PROVINCES, AND HE CRITICIZED FEDERAL "PARSIMONY" IN ALLOWANCES TO PROVINCES.

3. AT NEWS CONFERENCE FOLLOWING FIRST DAY SESSION, PARIZEAU WAS QUOTED AS SAYING "INsofar AS WE WERE DISCUSSING THE COSENSUS POSITION OF THE PROVINCES, I WAS THE NICE GUY. INsofar AS I WAS STATING THE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OTTAWA 04833 072230Z

FINANCIAL REQUIREMENTS OF THE GOVERNMENT OF QUEBEC

IN THE MONTHS TO COME, I WAS THE TOUGH GUY."

3. FINMIN MACDONALD ALSO HELD NEWS CONFERENCE AFTER FIRST DAY SESSION, AND HE IS QUOTED IN PRESS AS SAYING HE WOULD REJECT QUEBEC REQUESTS THAT OTTAWA SHARE COSTS OF PROVINCE'S POLICE FORCE (OTTAWA AND ONTARIO HAVE SEPARATE POLICE FORCE (OTTAWA AND ONTARIO HAVE SEPARATE POLICE FORCES WHEREAS OTHER PROVINCES USE RCMP, AND OTTAWA PAYS HALF THE COST). MACDONALD ALSO STATED THAT OTTAWA HAD ALREADY PROVIDED ALMOST C\$500 MILLION FOR OLYMPIC COSTS THROUGH COIN AND STAMP PROGRAMS, "AND WE WON'T GO ANY FURTHER."

4. FROM NEWS REPORTS OF FIRST DAY'S SESSION, IT WOULD APPEAR THAT SOME PROGRESS WAS ACHIEVED IN REACHING AGREEMENT ON FUTURE FEDERAL/PROVINCIAL FINANCIAL ARRANGEMENTS. PARIZEAU WAS QUOTED IN OTTAWA CITIZEN OF DECEMBER 7 AS SAYING ABOUT C\$800 MILLION SEPARATED PROVINCES AND FEDERAL GOVERNMENT FROM REACHING AGREEMENT, AND MACDONALD REPORTEDLY TOLD PRESS THERE IS BASIC AGREEMENT AMONG FINANCE MINISTERS ON EQUALIZATION PAYMENTS.
ENDERS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, GOVERNMENT BUDGET, MEETINGS, PROVINCIAL OFFICIALS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OTTAWA04833
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760453-0048
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761266/aaaaceys.tel
Line Count: 84
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 OTTAWA 4814
Review Action: RELEASED, APPROVED
Review Authority: wolfsd
Review Comment: n/a
Review Content Flags:
Review Date: 01 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 JUN 2004 by hattaycs>; APPROVED <06 AUG 2004 by wolfsd>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FEDERAL/PROVINCIAL FINANCE MINISTERS' CONFERENCE
TAGS: EFIN, PGOV, OCON, CA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006